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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 19, 2001

APPLICATION OF

SHENANDOAH VALLEY ELECTRIC COOPERATIVE

CASE NO. PUE000747

For a general rate increase

ORDER FOR NOTICE AND HEARING

On December 29, 2000, Shenandoah Valley Electric

Cooperative ("Shenandoah" or "the Cooperative") filed with the

State Corporation Commission its Application of Shenandoah

Valley Electric Cooperative for Revised Retail Rates, Fees, and

Changes in its Terms and Conditions for Supplying Electric

Distribution Service (hereinafter Application). According to

the Application, at 4-5, the Cooperative made this filing after

considering its financial position and § 56-582 of the Code of

Virginia, which authorizes the establishment of capped rates

from January 1, 2001, to July 1, 2007. As provided by

§ 56-582 A 3, the proposed revised rates and charges took effect

on January 1, 2001, on an interim basis and subject to refund.

 $^{^{1}}$ Shenandoah also filed on December 29, 2000, a Motion for Protective Order. The Commission will refer that motion to the examiner assigned to hear this matter.

(Application at 2) The proposed revised rates and charges would produce additional annual revenues of \$2,830,443. These additional annual revenues represent an increase of 6.76 percent in Commission jurisdictional revenues. (Id. at 1)

In addition to the revised rates for service, Shenandoah also proposed changes in its line extension policy and increases in service charges and fees. (Id. 1-2) The Cooperative proposed changes in the rate structure of its General Service Schedule to make it sensitive to a low load factor. Changes in the rate structure of the Large Power Service Schedule to make it sensitive to a high load factor were also proposed. (Id. at 2) These revisions also take effect on January 1, 2001. (Id.)

According to the Application, at 3, Shenandoah based its filing on the Rules Governing Streamlined Rate Proceedings and General Rate Proceedings for Electric Cooperatives Subject to the State Corporation Commission's Rate Jurisdiction (Cooperative Rate Rules), 20 VAC 5-200-21. Shenandoah stated that it had given notice to the Commission, public officials, customers, and parties to its last rate case as required by 20 VAC 5-200-21 B 6 and - 21 D 2 h of the Cooperative Rate Rules. (Application at 3,5)

Upon consideration of the Cooperative's Application and applicable statutes, the Commission finds that this matter should be docketed and that an investigation should be

commenced. The Commission also finds that Shenandoah should give further notice of its application and that a public hearing should be convened. The Commission's Staff will investigate the Cooperative's application and proposed tariff revisions and present its findings in testimony at the hearing.

Accordingly, IT IS ORDERED THAT:

- (1) This matter be docketed and assigned Case No. PUE000747.
- (2) As provided by § 56-582 A 3 of the Code of Virginia, the proposed rates and charges and terms and conditions which took effect on January 1, 2001, are interim and subject to refund with interest.
- (3) A public hearing be held on June 26, 2001, at 10:00 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia.
- (4) As provided by § 12.1-31 of the Code of Virginia and Rule 7:1, 5 VAC 5-10-520, of the Commission's Rules of Practice and Procedure ("the Rules"), a hearing examiner is appointed to conduct further proceedings on behalf of the Commission and to file a final report with the transcript of this proceeding.
- (5) On or before March 23, 2001, any person expecting to participate as a protestant, as defined in Rule 4:6, 5 VAC 5-10-180, of the Rules, shall file with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O.

Box 2118, Richmond, Virginia 23218-2118, an original and fifteen (15) copies of a notice of protest, as required by Rule 5:16(a), 5 VAC 5-10-420 B, of the Rules, and shall serve a copy on counsel to the Cooperative, James C. Dimitri, Esq. McGuireWoods LLP, One James Center, 901 East Cary Street, Richmond, Virginia, 23219-4030.

- (6) Within five (5) days of receipt of a notice of protest, Shenandoah shall serve upon each protestant a copy of this Order, and a copy of the application, unless these documents have already been provided to that person.
- (7) On or before May 17, 2001, all protestants shall file with the Clerk an original and fifteen (15) copies of a protest, as required by Rule 5:16(b), 5 VAC 5-10-420 C, of the Rules, and an original and fifteen (15) copies of the testimony and exhibits that the protestant intends to present at the hearing and shall serve one (1) copy of the protest, testimony, and exhibits on counsel to Shenandoah and on all other parties.
- (8) On or before May 9, 2001, written comments on Shenandoah's application may be filed with the Clerk at the address setout in (5) above. Such comments must refer to Case No. PUE000747.
- (9) The Commission Staff shall investigate Shenandoah's application and, on or before May 31, 2001, shall file with the Clerk an original and fifteen (15) copies of the testimony and

exhibits the Staff intends to present at the hearing, and shall serve one (1) copy on counsel to Shenandoah and on all other parties.

- (10) On or before June 12, 2001, Shenandoah may file with the Clerk an original and fifteen (15) copies of all testimony it expects to offer in rebuttal to all direct testimony and exhibits of Commission Staff and protestants and shall serve one (1) copy on all other parties. Additional rebuttal evidence may be presented in response to evidence which was not filed but elicited at the hearing if the need for additional rebuttal evidence is timely addressed by motion during the hearing.
- (11) Rule 6:4, Interrogatories to Parties or Requests for Production of Documents and Things, 5 VAC 5-10-480, of the Rules shall be modified for this proceeding as follows. (i) Answers and objections shall be served within ten (10) days after receipt of interrogatories. (ii) Special motions upon the validity of any objections raised by answers shall be filed within five (5) working days of receipt of the objection. (iii) Answers, objections, and special motions shall be served by 3:00 p.m. of the due date, unless the Staff or party upon whom service must be made agrees in advance to other arrangements. Except as so modified, discovery shall be in accordance with the Rules.

- (12) Forthwith upon receipt of this Order, Shenandoah shall make available for inspection at its offices during regular business hours copies of its application, testimony, exhibits, this Order, and all other materials filed in this proceeding.
- (13) On or before February 16, 2001, Shenandoah shall publish the following notice as display advertising (not classified) once in newspapers of general circulation in its service territory:

NOTICE TO THE PUBLIC OF AN APPLICATION BY SHENANDOAH VALLEY ELECTRIC COOPERATIVE FOR A GENERAL INCREASE IN RATES CASE NO. PUE000747

On December 29, 2000, Shenandoah Valley Electric Cooperative ("Shenandoah" or the "Cooperative") filed an application with the State Corporation Commission ("Commission") to revise its rates and charges and terms and conditions for electric service. The proposed revised rates and charges would produce additional annual revenues of \$2,830,443. These additional annual revenues represent an increase of 6.76 percent in Commission jurisdictional revenues. Pursuant to § 56-582 of the Code of Virginia, the proposed rates and charges took effect, on an interim basis and subject to refund with interest, on January 1, 2001.

The details of these and other tariff revisions are set out in Shenandoah's application. Interested parties are encouraged to review the application for the details of these and other Cooperative proposals. The application may be reviewed in the Commission's Document Control Center, Office of the Clerk of the Commission, First

Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, during Commission business hours. Copies of the application may also be viewed at the Cooperative's office in Mount Crawford, Virginia, during regular business hours.

A public hearing on Shenandoah's application will be held on June 26, 2001, at 10:00 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia. Individuals with disabilities who require an accommodation to participate in the hearing should contact the Commission at least seven (7) days before the scheduled hearing date at 1-800-552-7945 (voice) or 1-804-371-9206 (TDD).

On or before May 9, 2001, written comments on Shenandoah's application may be filed with the Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Comments must refer to Case No. PUE000747.

Any person desiring to make a statement at the public hearing concerning the application need only appear in the courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself to the Bailiff as a public witness.

On or before March 23, 2001, any person desiring to participate as a protestant, as defined in Rule 4:6, 5 VAC 5-7 10-180, of the Commission's Rules of Practice and Procedure ("Rules"), shall file with the Clerk of the Commission at the address printed above an original and fifteen (15) copies of a Notice of Protest, as provided in Rule 5:16(a), 5 VAC 5-10-420(B), of the Rules, and shall serve a copy of same on counsel for Shenandoah, James C. Dimitri, Esquire, McGuire Woods LLP, One James Center, 901 East Cary Street, Richmond,

Virginia, 23219-4030. Any person who expects to participate as a protestant should promptly obtain a copy of the Order for Notice and Hearing for complete details of the procedural schedule and instructions on participation in this case.

SHENANDOAH VALLEY ELECTRIC COOPERATIVE

- (14) On or before February 9, 2001, Shenandoah shall serve a copy of this Order on all officials listed in the Cooperative Rate Rules, 20 VAC 5-200-21 D 2 h, in the manner prescribed by that rule.
- (15) On or before March 5, 2001, Shenandoah file with the Clerk proof of the newspaper publication and proof of service required by ordering paragraphs (13) and (14), and the Cooperative Rate Rules, 20 VAC 5-200-21 D 2 h.